



National Association for Uniformed Services

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The Servicemember's Voice in Government

Established in 1968



STATEMENT
Of
NATIONAL ASSOCIATION FOR UNIFORMED SERVICES
On the
FY 2006 Department of Veterans Affairs
Budget Request
February 16, 2005

Presented by

Major General William M. Matz, Jr., US Army, Retired
President

Disclosure

The National Association for Uniformed Services (NAUS) has not received grants (and/or subgrants) or contracts (and/or subcontracts) from the federal government for the past three fiscal years.

WILLIAM M. MATZ, JR.
MAJOR GENERAL, US ARMY, RETIRED
PRESIDENT
NATIONAL ASSOCIATION FOR UNIFORMED SERVICES

Major General William M. Matz, Jr., Retired, was born in Drexel Hill, Pennsylvania. Upon graduation from Gettysburg College, he was commissioned a second lieutenant and assigned to the 82nd Airborne Division. Following this initial assignment, he served along the demilitarized zone in Korea with the 1st Battalion, 8th Cavalry, 1st Cavalry Division and 2nd Battalion, 23rd Infantry, 2nd Infantry Division successively as a rifle company commander and battalion S3. Upon his return from Korea, he was assigned to the Ranger Department, U.S. Army Infantry School. In October 1967, he arrived in Vietnam and served as a rifle company commander with the 3rd Battalion, 47th Infantry, 9th Infantry Division, in the Mekong Delta, where he was wounded in action during the 1968 Tet Offensive.

Upon return from Vietnam, he was assigned as Assistant Professor of Military Science, ROTC Department, Middlebury College, Vermont. MG Matz returned to WESTPAC in June 1970 where, as Plans/Special Operations Officer on the Afloat Staff, Amphibious Forces, Pacific Fleet, he planned and participated in amphibious operations along the Vietnam coast. In June 1973, he was assigned to the Strategy, Plans and Policy Directorate, ODCSOPS, DA, as a strategic planner and Directorate Executive Officer until assuming command of the 3rd Battalion, 187th Infantry, 101st Airborne Division in July 1977. In 1980, he returned to the 82nd Airborne Division and served as Division G3 from June 1980 to July 1982. Following this assignment, he returned to Korea where he served as Chief, Force Development Division, G3/J3, Eighth Army/U.S. Forces Korea Staff.

In 1983, he assumed command of the 4th Training Brigade, U.S. Army Armor School. Upon relinquishing command in 1985, he returned to the Army Staff as Deputy Director, Training Directorate, ODCSOPS. This was followed by a tour of duty as Executive Secretary to the Secretary of Defense. In August 1988, he became the ADC (S), 7th Infantry Division (Light), and deployed with the Division to Panama on Operation JUST CAUSE. MG Matz assumed duties as the Deputy Commanding General, U.S. Army Pacific in February 1990. He then served as the Deputy Commanding General and interim Commanding General of First Corps and Fort Lewis from November 1991 until his retirement from the U.S. Army in September 1995.

MG Matz is a graduate of the Infantry Officer Basic and Advanced Courses, the Airborne and Ranger Courses, the Command and General Staff College and the Army War College. He received a BA degree in Political Science from Gettysburg College and a MA degree in Political Science from the University of San Diego.

Among his awards and decorations are the Distinguished Service Cross, Defense Distinguished Service Medal, Distinguished Service Medal, Silver Star, Defense Superior Service Medal, Legion of Merit (with three Oak Leaf Clusters), Bronze Star for Valor, Purple Heart, and the Combat Infantryman Badge.

MG Matz and his wife Linda reside in Great Falls, Virginia, and are the parents of three married children.

Mr. Chairman, and distinguished members of the committee:

On behalf of the over 180,000 members of the National Association for Uniformed Services - NAUS, I thank you for this opportunity to present our members' views on the proposed budget for the Department of Veterans Affairs for Fiscal Year 2006.

The National Association for Uniformed Services (NAUS) prides itself in being "The Servicemember's Voice in Government – Focusing on People." NAUS is unique. Founded in 1968, it's the only military affiliated association whose members are representative of the entire military/veteran family. This provides a broad representation when dealing with Congress, the White House, and the Pentagon. NAUS represents all seven branches of the uniformed services: Army, Navy, Marine Corps, Air Force, Coast Guard, United States Public Health Service (USPHS), and National Oceanic and Atmospheric Administration (NOAA), including all components: Active Duty, Retired, Reserve, National Guard, and other veterans, their spouses, widows/widowers, other family members and survivors; and all grades and ranks – enlisted/officer.

The primary purpose of the National Association for Uniformed Services (NAUS) is to preserve and support a strong national defense by ensuring a high quality, well-trained volunteer military force. Our priority is to work hard to ensure our Active Duty, Veterans, Retirees, National Guard, and Reserve personnel receive their "promised" benefits. We strongly believe that doing this will greatly help in the recruiting effort of all the Services. Military retirees and veterans can be the military services' best recruiters, particularly, if they can pass on to prospective members of the Active and Reserve forces that our Nation keeps its promises to those who have served.

First, we advocate and support the implementation of a "Seamless Transition" for separating combat and other veterans. The services, especially the Army and Marine Corps, in concert with the Department of Veterans Affairs, have made great strides to ensure that returning Operation Iraqi Freedom & Operation Enduring Freedom combat veterans, as well as all other service men and women who complete their term of service or retire from the service receive timely access to Department of Veterans Affairs health care and benefits—but there is still work to be done. These military veterans should be "seamlessly" transitioned into the VA medical system and given all assistance possible to obtain their earned benefits so when asked, they can confidently report that a grateful nation does fulfill its promises. Much needs to be done including developing and deploying an interoperable, bi-directional and standards-based electronic medical record, a single-stop separation physical examination supported by an electronic separation document (DD Form 214), determination of VA benefits before separation from the Service, and a mental health examination and follow-up, coupled with a record of occupational exposures for possible future mental health problems.

Next, NAUS advocates full funding for the Department of Veterans Affairs Health Program. With the increase in discharged Active and particularly Reserve personnel that are now being added to the system, the demand for access to VA health care continues to exceed what the VA can deliver in a timely manner. As recommended by the May 2003 Presidential Task Force Report, the VA should have full funding to provide health care for all enrolled veterans. To have the funds necessary, the budget for the Department of Veterans Affairs should include modifications to the current budget process to provide mandatory funding for veterans health care. We know that the recent request from the Department of Veterans Affairs includes proposals for 2006 that would add a \$250 annual enrollment, and increase the pharmacy co-pay to \$15 for priority 7 and 8 veterans already enrolled in the system, but the full funding of VA health care would prevent this from happening. While we understand that there are budget restraints upon the Department and the priority must always be given to those veterans with the most need, we would ask your committee to study these proposals closely, and explore ways to open the system for new enrollees in all categories. This will guarantee that all veterans, including those serving today, will have some level of access to VA Health Care, and it will prevent any impression that the current warfighter is being pitted against veterans. We applaud the proposals to drop co-pays for POWs, and for those veterans in hospice care. We also appreciate the proposal that would authorize the VA to pay co-pays for emergency care for enrolled veterans at private hospitals.

One item we question in the proposed budget is the “assumption” that administrative “efficiencies” and improved collection efforts will increase at the rate stated. In real terms the VA budget has little or no increase in funding from the Government side. All of the increases in funds will come from the veterans themselves; from the increase in co-pays, enrollment fees and collections from insurance and other health plans the veterans may have. This does not reflect Abraham Lincoln’s pledge “to care for those who have borne the battle.” Rather, this says, “We will take care of you but you have to help pay for it”. This might be acceptable to some veterans who can afford it, but what about those just on the edge of poverty, where in some instances someone making \$25,000 a year in retirement is considered wealthy by VA rules. This budget needs an increase in funding from the Government. If the VA wishes to concentrate on the core disabled and injured, NAUS will certainly accept that. However, those already enrolled should be taken care of at the same level promised when they entered the VA Health Care System. Many gave up other medical coverage and because of these proposed changes, may not now receive the affordable care they need and were promised at enrollment. Any changes in co-pays, enrollment fees, etc., should only affect future users of the system. NAUS would suggest that it is unfair to saddle current enrollees with paying the additional costs to raise the funds that are required to make this budget work.

While NAUS strongly advocates not making these changes for those currently enrolled, we understand that changes may be necessary. If this is the case, then the committee may want to further define priority 7 and 8 veterans to ensure that appropriate copays and or enrollment fees are only applied to those that can afford it based on the required VA Means Test. Under the current proposal, these cost increases would apply to ALL priority 7 and 8 veterans in the system.

As a way to open the system for more veterans and bring additional funding into the system, NAUS supports an initiative that provides for the reimbursement by Medicare to VA under Medicare Subvention for those non-disabled, Medicare-eligible veterans who prefer to use their Medicare benefits at a VA facility. We recommend the Congress enact the technical authority to implement Medicare Subvention and test the direct use of Medicare funds at VA facilities.

To meet the need for providing educational benefits through the Montgomery GI Bill (MGIB) to a new reality of an operationally integrated force of active duty and reserve components, a more up-to-date GI Bill of education benefits should be developed. Active duty GI Bill benefits have not kept pace with the rising cost of post-secondary education. Senior active duty service members who declined to sign up for the VEAP benefit in the late 1970's and 80's have been unfairly denied the opportunity to enroll in MGIB benefits. For members of the Reserves and National Guard, the MGIB benefits have been degraded to less than 29% of the 47% active duty benchmark. Also, Reserve and National Guard benefits have no post-service value as a veterans' benefit, though almost one-half of the Selected Reserve, which is now more than 400,000, have served on extended combat deployments. NAUS supports a new approach to the GI Bill to support recruitment needs and provide benefits commensurate with the length and type of enlistment contract and risks experienced by the Reserves and Guard in mobilization and deployment.

Another much needed improvement for the Department of Veterans Affairs is the restoration of additional claims worker positions for the VA staff to process the disability and survivor claims backlog. Also needed is funding for improved processing technology so that the VA can meet established performance standards and maintain or exceed this standard for processing claims in the future.

An issue that affects members of NAUS and its affiliate, the Society of Military Widows, is the retention of Dependency and Indemnity Compensation (DIC), if remarried. Previously passed law authorized DIC to remarried surviving spouses at age 57. To attain parity with other federal survivor programs, we support legislation to lower this age to 55 to retain DIC status and benefits.

On a related survivor issue we would recommend an increase in the amount of DIC payable to widows of Catastrophically Disabled Veterans to match other Federal survivor's benefit plans. Catastrophically Disabled Veterans, whose spouses serve as primary caregivers, receive additional allowances due to the severity of their service-connected multiple disabilities. These spouses often perform full-time primary care duty, which precludes them from regular work resulting in a retirement or Social Security benefits in their own right. When the veteran dies, the widow's income is reduced to the same DIC payment that other surviving spouses of veterans receive, whose death was service connected. The percentage of replacement income can be as little as 15%. The income replacement of other federal survivors' benefit plans is close to 50% of the benefit upon which they are based. Congress should provide for widows of Catastrophically Disabled Veterans on a similar basis.

We would also recommend the establishment of a survivor's office in the VA. A single point-of-contact office in the VA should be created solely to help survivors of veterans understand and apply for any benefits they are entitled to receive.

One last issue that affects those in the active force and with great bearing on those called to active duty from the Reserve and Guard is strengthening of rights under the Uniformed Services

Employment and Reemployment Rights Act and the Servicemembers' Civil Relief Act which are under the jurisdiction of the Veterans Affairs Committee. Because of the duration of large scale Reserve and Guard call-ups, the committee should consider legislation to strengthen the protections afforded by these two acts, so that servicemembers called to active duty do not experience hardships while serving their Nation.

We at NAUS also request joint action by the House of Representatives and Senate to work together to codify the rules for burial in Arlington National Cemetery to preserve the special aspect of the Nation's most hallowed resting place, so that they are not subject to political considerations.

The 180,000 members of the National Association for Uniformed Services join me in thanking you, Mr. Chairman and the members of the House Veterans Affairs Committee for your previous support of the veterans' programs and ask that you join us in our support for improvements to these programs so that those who have served their country will report that their Nation supported them. We recognize and appreciate your longstanding personal commitment on behalf of the men and women who have defended this great country, and we appreciate your support of these key issues of importance to military beneficiaries and veterans.